



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

FOR IMMEDIATE RELEASE: November 10, 2005

More people move to Washington as the state's economy strengthens.

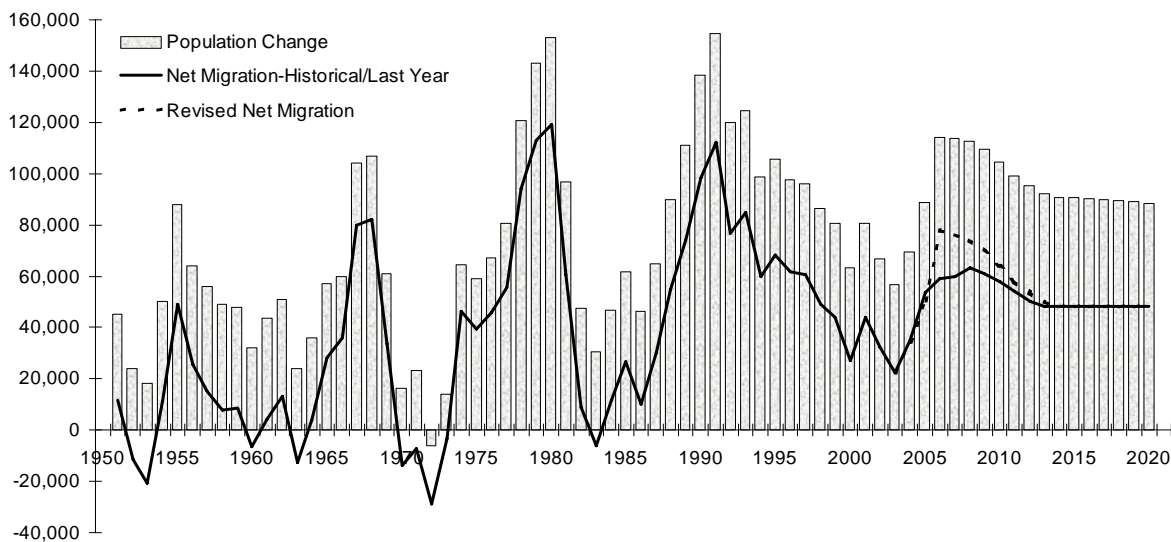
OLYMPIA – Increases in migration are expected to boost state growth to more than 100,000 per year through 2010. Washington is now forecast to increase by nearly 1 million people over the present decade and reach 6.8 million by 2010.

The Office of Financial Management updates the state population forecast each year to anticipate forthcoming changes in budget expenditures. Persons in certain age groups such as school-age children, young male adults, or the elderly drive expenditure needs for schools, correctional facilities, nursing homes, and other programs.

Population growth due to migration is driven primarily by employment opportunities. Washington's economic upturn started with improved employment figures in June 2003 and continues to outpace the economic recovery in nearby states and the nation as a whole. Over the last year Washington added 85,000 new jobs—an increase of 3.1 percent. This compares to a national job growth of 1.7 percent over the same period. As Washington's economy improved, annual migration gains climbed from 22,000 in 2003 to 50,600 in 2005, and are expected to near 80,000 in 2006.

"Even these migration expectations may be conservative," Theresa Lowe, the state's chief demographer, said. "We increased migration in last year's forecast update, but fall K-12 school enrollments and continued economic growth indicate we should raise the assumptions again."

Figure 1. Migration revised upward in 2006 state population forecast

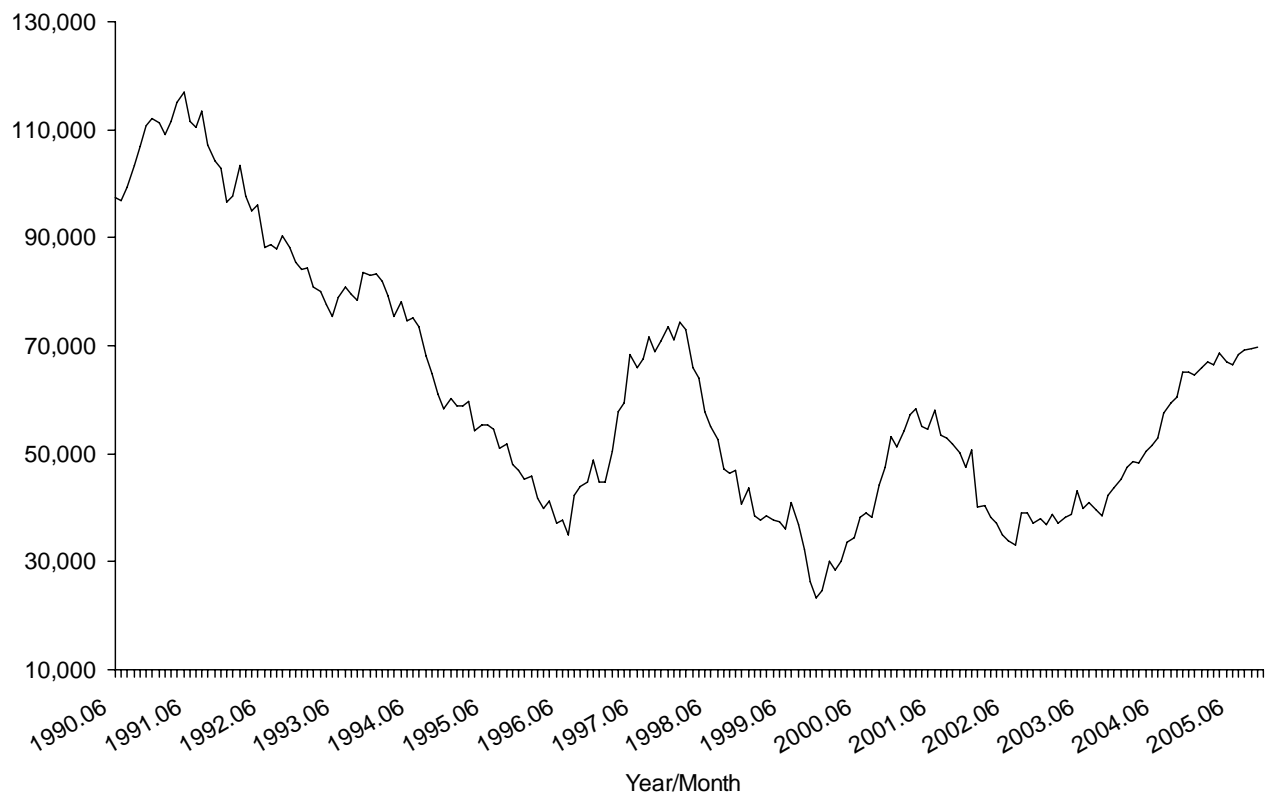


There have also been recent increases in resident active-duty armed forces in Washington, namely the Stryker Brigade at Ft. Lewis, which are expected to continue.

“While current employment forecasts for California and the U. S. show Washington is in a good position to continue drawing larger numbers of newcomers—economic forecasts are often subject to change,” Lowe said. For this reason, the high migration levels for 2006 and 2007 are slowly transitioned to a lower historically based average-annual net migration of 48,100 per year through 2030.

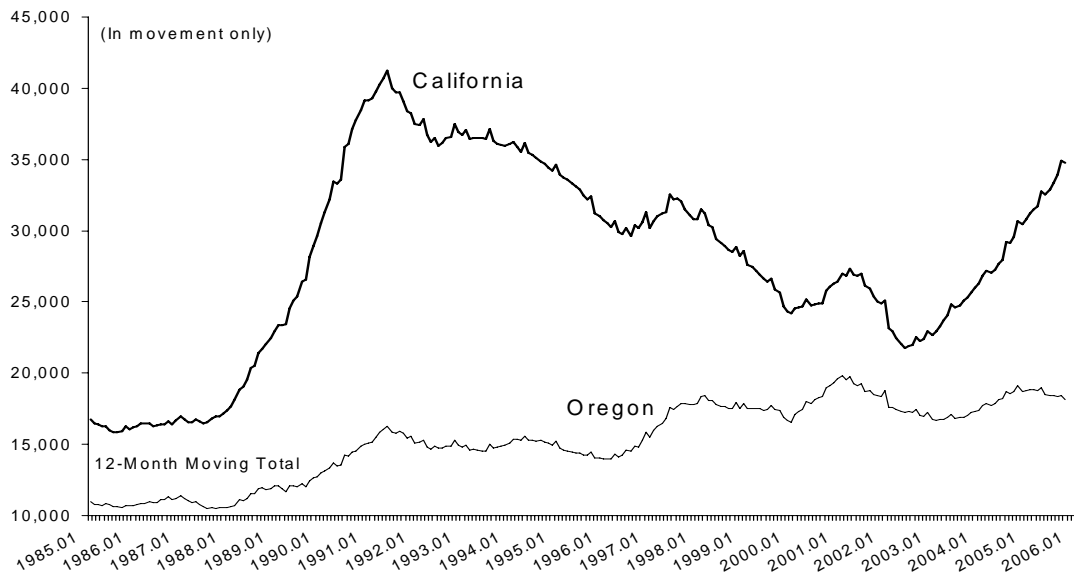
Figure 2, showing the interstate movement of licensed drivers, supports the continued increase in net migration to Washington. This chart plots out-of-state licenses that are surrendered to obtain a Washington license—less Washington licenses surrendered in other states. The bulk of the increase in the State’s resident active military personnel—up from 53,000 in 2004 to about 56,000 in fall 2005—are not captured in the license data.

Figure 2. Washington—Net drivers’ licenses surrendered



Drivers’ license data also show that California contributes the largest share, about 40 to 50 percent, of the movement into Washington from other states (Figure 3). Current numbers of licenses surrendered from California—a 12-month total of 34, 800 licenses—compare to a peak of about 40,000 in early 1991. The economy of such a large and populous neighbor as California has considerable effect on Washington’s growth.

Figure 3. Drivers licenses surrendered show California and Oregon to be the leading contributors to elevated migration levels



Since young adults and young families are the most mobile segments of the population, changes in the level of net migration to Washington may have a considerable effect on state service demands. Increased migration levels now show 1,157,500 school-age youngsters by 2010—35,000 more than in the state forecast prepared two years ago when the economy began to rebound. Children returning to private schools with improvements in the Puget Sound economy are offsetting some of the impact on public kindergarten through 12th grade education. The population groups affecting post-secondary education, corrections, and other service areas also show increases.

Detailed information on the November 2005 population forecast is on the Office of Financial Management web page at www.ofm.wa.gov/pop/stfc/index.htm.

###

Contact: Theresa Lowe, Office of Financial Management, 360-902-0588